GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:265
ANSWERED ON:18.03.2008
TRADE AGREEMENT WITH ASEAN AND EU
Singh Shri Chandra Bhushan

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is in the process of concluding a trade agreement with the ASEAN and is also moving ahead on another trade and investment agreement with the European Union;

(b) if so, the details thereof;

(c) whether the signing of the Free Trade Agreements with ASEAN counterparts is likely to enable India to effectively integrate with the new and emerging global economic architecture; and

(d) if so, the details thereof?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.265 FOR ANSWER ON 18TH MARCH, 2008 REGARDING "TRADE AGREEMENT WITH ASEAN AND EU"

(a) & (b): Yes, Sir. Negotiations for ASEAN-India Free Trade Agreement (AIFTA) are currently in progress and both sides are discussing various aspects of the proposed Agreement, including the Negative Lists and the modalities for tariff concessions offered by both sides. Negotiations for Trade in Goods Agreement are at an advanced stage and only a few issues remain to be resolved.

At the 7th India-EU Summit held at Helsinki during October 2007, it was decided that the two sides should enter into negotiations on Trade and Investments Agreement. So far, three rounds of negotiations have been held between India and EU. Discussions are being held on Trade in Goods, Non Tariff issues, Customs Cooperation and Trade Facilitation, Rule of Origin, allocation procedures, trade defence, competition, IPRs and GIs, services and investment.

(c) & (d) : ASEAN-India Comprehensive Economic Cooperation Agreement (CECA) would be economically beneficial to the people of India and would help in promoting greater regional economic integration. It is expected to provide greater impetus to Trade in Goods and Services between both the sides and also to open up investments. It is also a framework for future integration with other countries in the South East Asia region.